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USTR FOR JENNIFER GROVES COMMERCE FOR CATHERINE PETERS STATE FOR EB/TPP/IPE JENNIFER BOGER

E.O. 12958: N/A

TAGS: ECON ETRD KIPR LG

SUBJECT: 2007 Special 301 Review: Latvia

REF: STATE 07944

- 11. Summary: Post judges that removing Latvia from the Special 301 list (if not already the case once a decision on the 2006 Special 301 OCR has been taken) would have the greatest impact on spurring the GOL to continue to fight IPR violations. The Watch List has served as a motivator in the past for the GOL to act, and significant progress has been made. We believe this momentum can best be prolonged now by recognizing Latvia's achievements, removing it from the list, and continuing discussion on IPR in an atmosphere where it will be clear that the USG recognizes achievements. We urge the USG to take a decision on Latvia's status as part of the 2006 OCR, rather than folding it in to the 2007 process. End Summary.
- 12. The Latvian government has made great strides in combating IPR violations. These included increased seizures, and increases in the number of criminal cases initiated and cases submitted for prosecution. We acknowledge that Latvia could do more -- all states could -- but believe that, on balance, it has made significant strides and no longer merits inclusion on the watch list. We further feel that removal from the list would have a greater positive influence on the GOL's commitment to address IPR issues than the prospect of continued listing.
- 13. Removal from the list would also match the viewpoint of a key industry group, the International Intellectual Property Alliance (IIPA). In their current year submission, the IIPA does not include Latvia on its recommended Watch List, but only includes it for Special Mention. The IIPA's basis for even Special Mention status is based on what they describe as unofficial communication with police sources regarding the Latvian Ministry of Interior's intention to discontinue operation of a special IPR unit in the Economic Police. We inquired with the MFA at the Under Secretary level regarding the rumor and were told that no changes in the unit are planned. We also checked with the head of the local Coalition for Intellectual Property Rights (CIPR) office, and he informed us that he has heard nothing of plans to discontinue the IPR unit, and that he thought such a move by the GOL would be highly unlikely.

BAILEY